Trading Tutorials: Learn Technical and Fundamental Analysis

Source: https://traderzo.com/trading-tutorials-learn-technical-and-fundamental-analysis/
Official Website: TraderZo.com

Written by TraderZO Editorial Team | August 14, 2026

For educational purposes only; not personalized investment advice. Past performance does not guarantee future results.

Table of Contents

1. What Trading Tutorials Actually Teach You
2. Reading Price Action: Candlesticks and Chart Patterns
    3. Single-Candle Signals Worth Knowing
    4. Multi-Candle Patterns
5. Support, Resistance, and Trendlines: The Trader's Map
    6. How to Draw Levels That Hold
    7. Trendline Mechanics in Practice
8. Momentum Oscillators: RSI, MACD, and Stochastic Signals
    9. Relative Strength Index (RSI)
    10. MACD
    11. Stochastic Oscillator
12. What Is Fundamental Analysis in Trading?
    13. The Three Layers of Fundamentals
14. Valuation Ratios That Matter: P/E, P/B, EV/EBITDA, and FCF Yield
    15. Price-to-Earnings (P/E)
    16. Price-to-Book (P/B)
    17. EV/EBITDA
    18. Free Cash Flow Yield
19. Earnings Reports, Revenue Growth, and EPS Surprises
    20. What to Watch in a Print
21. Combining Technical and Fundamental Analysis
    22. A Combined Workflow
23. Position Sizing, Stop-Loss Placement, and Risk-Reward Ratios
    24. Position Sizing Formula
    25. Stop-Loss Placement
    26. Risk-Reward Ratios
27. Common Mistakes Beginner Traders Make
28. Frequently Asked Questions
    29. How long does it take to learn trading from tutorials?
    30. What is the best trading tutorial for beginners?
    31. Why do most beginner traders lose money in their first year?

32. When should you use technical analysis versus fundamental analysis?
33. Can you learn trading for free through online tutorials?
34. Is technical analysis or fundamental analysis more profitable for retail traders?
35. Which markets are best for applying these tutorials?
36. Final Thoughts on Building a Trading Process

Written by TraderZO Editorial Team, reviewed by TraderZO Review Board · Updated August 14, 2026 · Editorial policy · For educational purposes only; not personalized investment advice. Past performance does not guarantee future results.

- What Trading Tutorials Actually Teach You
- Reading Price Action: Candlesticks and Chart Patterns
- Support, Resistance, and Trendlines: The Trader's Map
- Momentum Oscillators: RSI, MACD, and Stochastic Signals
- What Is Fundamental Analysis in Trading?
- Valuation Ratios That Matter: P/E, P/B, EV/EBITDA, and FCF Yield
- Earnings Reports, Revenue Growth, and EPS Surprises
- Combining Technical and Fundamental Analysis
- Position Sizing, Stop-Loss Placement, and Risk-Reward Ratios
- Common Mistakes Beginner Traders Make
- Frequently Asked Questions
- Final Thoughts on Building a Trading Process

What Trading Tutorials Actually Teach You

Most new traders open a brokerage account, glance at a chart, and hope the candles align with their gut. The market humbles them quickly. A disciplined set of trading tutorials replaces that guesswork with a sequence of repeatable steps: read the chart, evaluate the company or asset, set the position size, define the exit, and only then click buy.

Two skill sets sit at the heart of any serious tutorial: technical analysis and fundamental analysis. Technical analysis studies what the market is doing - price, volume, momentum, and structure. Fundamental analysis studies why an asset might be worth owning - earnings, cash flow, balance sheet health, and macro context. One is a map of behavior. The other is a map of value. Traders who last long enough to get paid use both.

This guide walks through the core mechanics of each, shows how to merge them into a single decision framework, and ends with the risk controls that decide whether a trader survives a bad week. By the end, you will have a working playbook you can apply to stocks, forex, or crypto without buying a single paid course.

Reading Price Action: Candlesticks and Chart Patterns

A candlestick is a tiny story. The body shows the open and close, the wicks show the high and low, and the color shows who won the session. Read enough of them in sequence and a chart starts to read like a sentence.

Single-Candle Signals Worth Knowing

- Hammer: small body near the top, long lower wick. Often appears after a decline and hints that buyers absorbed the selling pressure.
- Shooting star: small body near the bottom, long upper wick. Common at resistance after a rally and warns of fading demand.
- Marubozu: a long body with little or no wick. A strong directional session where one side controlled the entire range from open to close.

Multi-Candle Patterns

- Bullish engulfing: a green candle whose body fully covers the prior red candle. A short-term reversal signal.
- Bearish engulfing: the opposite - a red body that fully covers the prior green body.
- Morning star / evening star: three-candle reversal patterns that mark exhaustion at the end of a trend. Consider a day trader scanning the S&P 500 for momentum. A stock prints a bullish engulfing candle right at its 50-day moving average, the prior session's volume is elevated, and the relative strength index is curling up from 30. That combination does not guarantee a win, but it stacks probabilities in the trader's favor and defines an obvious invalidation point below the pattern's low.

Support, Resistance, and Trendlines: The Trader's Map

Charts look chaotic until you draw lines on them. Support is a price level where demand has historically stepped in. Resistance is where supply has historically overwhelmed buyers. Trendlines connect swing lows in uptrends and swing highs in downtrends, and they act as dynamic versions of those same horizontal levels.

How to Draw Levels That Hold

- Use multiple touches. A level touched three times carries more weight than one grazed once.
- Zoom out. Weekly levels matter more than five-minute levels, because more participants have transacted at them.
- Watch for flips. Broken support often becomes resistance, and vice versa. Many false breakouts come from traders who ignore this dynamic.

Trendline Mechanics in Practice

In an uptrend, place the line under rising swing lows. A clean break below the trendline, especially on a closing basis and with rising volume, often marks the end of the impulsive leg. The same logic applies in reverse for downtrends. The point is not to predict; the point is to mark where the existing trend is most likely to continue or where it is being challenged.

Momentum Oscillators: RSI, MACD, and Stochastic Signals

Indicators do not predict. They describe momentum in different ways, and used together they cut through single-line bias. Most charting platforms, including TradingView, package these tools as defaults, so the cost of access is effectively zero.

Indicator	Range	Overbought / Oversold	Best Environment	Common Use
RSI	0 to 100	Above 70 / Below 30	Trending and range-bound	Divergences, failure swings
MACD	No fixed range	None standardized	Trending markets	Crossovers, histogram
Stochastic	0 to 100	Above 80 / Below 20	Range-bound markets	Short-term reversals

Relative Strength Index (RSI)

RSI compares the magnitude of recent gains to recent losses on a 0-100 scale. Above 70, the asset is often labeled overbought. Below 30, oversold. In strong trends, RSI can stay overbought for weeks, so the more useful signal is a failure swing or a divergence - where price prints a new high but RSI prints a lower high.

MACD

The Moving Average Convergence Divergence indicator plots the difference between two moving averages plus a signal line. Two practical signals:
- Crossover: MACD line crosses above the signal line for longs, below for shorts.
- Histogram expansion: bars growing taller confirm that momentum is accelerating, not just turning.

Stochastic Oscillator

Stochastic compares the close to the recent range. Readings above 80 are overbought, below 20 are oversold. The indicator works best in range-bound markets and tends to whipsaw in roaring trends.
> Risk Warning
> Indicators generate signals; they do not generate profits. Always pair an indicator signal with a price-action trigger and a defined stop. A signal without a stop is a hope, not a trade.

What Is Fundamental Analysis in Trading?

Where technical analysis reads the tape, fundamental analysis reads the business. For stocks, that means digging into earnings, revenue, margins, balance sheet health, and competitive position. For forex, it means interest rate differentials, inflation, and central bank policy. For crypto, it can mean on-chain activity, developer engagement, token supply schedules, and the regulatory posture of the jurisdictions involved.
A useful way to frame it: technicals answer when, fundamentals answer why. A trader who only uses technicals often buys a stock just before earnings because the chart looks good, and the print wrecks the setup.

The Three Layers of Fundamentals

- Company-specific: revenue growth, margin trends, free cash flow, debt levels, management quality.
- Sector-specific: competitive dynamics, regulatory environment, capital intensity.

- Macro: rates, inflation, currency trends, geopolitical risk.

A swing trader working a tech name might first check the sector's average revenue growth before buying a single stock in that group. A forex trader will rarely hold a long USD position if the Federal Reserve is cutting rates while the European Central Bank is hiking. The macro layer sets the wind. The company layer picks the sail.

Valuation Ratios That Matter: P/E, P/B, EV/EBITDA, and FCF Yield

Valuation ratios compress a business into a number, but each one measures something slightly different. The job is to know which ratio fits which situation.

Ratio	Formula in Plain Terms	Best Used For	Limitation
P/E	Price ÷ Earnings per share	Mature, profitable companies	Skewed by one-time items
P/B	Market cap ÷ Book value	Banks, asset-heavy industrials	Weak for asset-light businesses
EV/EBITDA	Enterprise value ÷ EBITDA	Cross-capital-structure comparison	Ignores working capital shifts
FCF Yield	Free cash flow per share ÷ Price	Cash-generative businesses	Volatile for early-stage firms

Price-to-Earnings (P/E)

P/E divides share price by earnings per share. A low P/E suggests a cheap stock relative to current earnings, but it can also mean the market expects earnings to fall. Compare a stock's P/E to its own five-year average and to the sector average rather than to an arbitrary benchmark.

Price-to-Book (P/B)

P/B compares market cap to book value. It is useful for financial stocks, asset-heavy industrials, and banks where tangible assets dominate the balance sheet. It is less useful for software companies whose value sits in intellectual property and recurring revenue rather than hard assets.

EV/EBITDA

Enterprise value to earnings before interest, taxes, depreciation, and amortization. Enterprise value includes debt, so EV/EBITDA gives a cleaner comparison across companies with different capital structures. The SEC's EDGAR database is the canonical source for the underlying filings, and broker research terminals layer ratio screens on top of that raw data.

Free Cash Flow Yield

FCF yield divides free cash flow per share by share price. Many professional investors prefer it to P/E because cash is harder to manipulate than reported earnings. A company generating real, growing free cash flow can be valued on this metric with more confidence than one whose earnings rely on aggressive accounting choices.

> Key Takeaway

> Never use a valuation ratio in isolation. A cheap P/E in a declining industry is a value trap. An expensive P/E in a hyper-growth franchise may be fully justified. Context is everything.

Earnings Reports, Revenue Growth, and EPS Surprises

Earnings season is the loudest four weeks of the quarter. Prices reprice fast as new information hits the tape, and the move often starts before the headline number is released.

What to Watch in a Print

- Revenue growth rate versus the prior quarter and versus consensus.
- EPS surprise: the gap between reported EPS and analyst expectations. Beat or miss, the size of the gap drives the immediate reaction.
- Guidance: forward-looking commentary often matters more than the reported quarter.
- Margins: gross margin compression is an early warning sign of pricing pressure or rising input costs.

A swing trader who screens for stocks with revenue growth above 15% year over year, then waits for an earnings beat, is filtering the universe down to a handful of names where business momentum and price momentum can align. The result is a smaller watchlist and a higher quality of setup.

Combining Technical and Fundamental Analysis

The two frameworks are not rivals. They answer different questions, and traders who compound capital treat them as a single checklist rather than two competing toolkits.

A Combined Workflow

1. Fundamental screen: filter for healthy balance sheets, growing revenue, and reasonable valuation. Tools like FINRA's stock screener and broker-provided screeners speed this up.
2. Technical setup: from the surviving list, find stocks at support, breaking out of consolidation, or with a momentum oscillator turning up.
3. Trigger: wait for a candlestick signal or indicator confirmation at the technical level.
4. Risk definition: set a stop below the technical invalidation point.
5. Position size: size the trade so the dollar loss on a stopped-out trade fits a fixed risk budget, often 1% or less of account equity.
6. Review: log the trade, the rationale, and the outcome. The log is the real tutor.

This is where trading tutorials earn their keep. They convert scattered concepts into a routine a tired trader can follow at the open without skipping steps.

Position Sizing, Stop-Loss Placement, and Risk-Reward Ratios

A profitable setup with poor sizing loses money. A mediocre setup with disciplined sizing often survives. Sizing is the unglamorous edge, and most new traders ignore it until a drawdown forces the lesson on them.

Position Sizing Formula

A simple, widely used formula:

> Position size = (Account risk amount) ÷ (Entry price - Stop-loss price)

If the account is $50,000, the trader risks 1% ($500), the entry is $100, and the stop is $95, the position size is 100 shares. A 5% adverse move costs exactly $500. The math makes risk explicit before the trade is placed, which is the entire point.

Stop-Loss Placement

Stops belong where the trade idea is invalidated. For a long trade built off a swing low, the stop sits a tick or two below that swing low. For a breakout trade, the stop sits below the breakout level. The location of the stop - not the dollar amount - defines the risk of the idea. A stop placed at an arbitrary percentage that has nothing to do with the chart structure tends to get clipped by routine noise.

Risk-Reward Ratios

A 2:1 risk-reward setup means the target is twice as far from the entry as the stop. A trader can lose six out of ten such trades and still break even before commissions, and turn a profit after them. Many professional trend followers insist on at least 3:1. The higher the required reward, the fewer the trades, but the more forgiving the math becomes.

A practical example: a swing trader screens for stocks with P/E ratios below the sector average and revenue growth above 15% year over year. A name in the basket prints a bullish MACD crossover on the weekly chart at a level that has acted as support for two months. The trader enters long, places the stop below the most recent swing low, and sets a target at the prior swing high. The structure - not the prediction - does the work.

Common Mistakes Beginner Traders Make

The first year of trading is mostly an expensive course in what not to do. The same errors show up across markets, timeframes, and asset classes.

Mistake	Why It Hurts	What to Do Instead
No trading plan	Entries become coin flips with fees attached	Write entry, stop, and target before the trade
Revenge trading	Doubling size to "make it back" accelerates drawdowns	Walk away after a predefined daily loss limit
Overtrading	Low-quality setups erode commissions and focus	Treat signals like inventory, not opportunities
Ignoring liquidity	Thin names gap against stops	Stick to names with tight bid-ask spreads
No journal	The same mistakes repeat indefinitely	Log rationale, screenshot, and outcome
Confusing thesis with prediction	Predictions break; theses adapt	Write scenarios, not single-point forecasts

> Risk Warning

> Most retail traders lose money in their first year. Industry regulators like the CFTC and FINRA publish data

on retail outcomes for a reason. Treat the first year as tuition, not income.

Frequently Asked Questions

How long does it take to learn trading from tutorials?

A few focused weeks of study can build a working vocabulary of charts, indicators, and valuation metrics. Building the judgment to apply them consistently under live market pressure typically takes 6 to 12 months of screen time and journal review. Speed varies with the hours invested, the markets traded, and the quality of feedback a trader captures in a trade log.

What is the best trading tutorial for beginners?

The best tutorial is the one that pairs a clear concept with a concrete example and a risk control. Avoid courses that promise specific returns or hide the loss examples. Look for material that covers both technicals and fundamentals, shows real chart setups, and explains position sizing and stop placement. Free content from reputable brokerages and exchanges like Nasdaq and CME Group is a strong starting point.

Why do most beginner traders lose money in their first year?

Three reasons dominate: position sizes that are too large, stops that are too tight or absent, and a strategy that was never backtested or journaled. Add in the psychological drag of drawdowns, and the result is the well-known retail failure rate. None of these are secret knowledge; they are mechanical disciplines that tutorials can teach but only practice can install.

When should you use technical analysis versus fundamental analysis?

Use fundamentals to decide what to consider and why a price level might be fair. Use technicals to decide when to act and where to place the stop. Short timeframes (intraday, swing) lean more on technicals. Long timeframes (position, multi-year) lean more on fundamentals. Most working traders blend the two across the same trade rather than choosing one camp.

Can you learn trading for free through online tutorials?

Yes, the conceptual layer is widely available at no cost. Brokers, exchanges, and many independent educators publish high-quality material on candlestick patterns, indicator usage, valuation ratios, and risk management. The expensive part is not the curriculum; it is the screen time, the journal discipline, and the small capital risked while the new habits form.

Is technical analysis or fundamental analysis more profitable for retail traders?

Neither wins outright. Studies on long-term equity returns generally favor a fundamental edge, because business value drives multi-year price paths. Studies on shorter horizons often show that momentum and

trend signals work, especially when combined with disciplined risk management. The most durable edge is the merger: a fundamentally sound asset bought at a technically favorable level, sized to a tolerable loss.

Which markets are best for applying these tutorials?

Stocks listed on major exchanges like the NYSE and Nasdaq offer deep liquidity, regulated disclosure, and abundant fundamental data. Major forex pairs are well-suited to technical and macro frameworks. Liquid crypto pairs (Bitcoin, Ethereum, and high-cap altcoins on regulated venues) allow the same chart mechanics but require extra caution around volatility, custody, and the regulatory environment, which can shift quickly.

Final Thoughts on Building a Trading Process

The market does not reward intelligence. It rewards process. A process combines a reading of the chart, an understanding of the asset, a position size that respects the account, and a stop that defines the loss before the trade is even taken. The two pillars of any trading tutorial - technical and fundamental analysis - exist to support that process, not replace it.

A practical next step: pick one market you want to learn, paper-trade ten setups that meet your combined checklist, and journal every one of them. After the tenth, review which ones followed the plan and which ones did not. The honest review is where most of the learning actually happens, and it is the part most beginners skip.

Markets will always carry risk, and even a clean setup can fail. The goal of a tutorial is not to eliminate that risk; it is to make every trade a deliberate, repeatable decision rather than a guess. That is the edge that compounds.

This article is for educational purposes only and does not constitute investment advice. Trading and investing carry risk of loss; never invest more than you can afford to lose. Past performance is not indicative of future results, and no strategy guarantees returns.

Last reviewed: August 2026